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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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SECURITY INFORMATION

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COUNTRY	Hungary	REPORT	
SUBJECT	Vital Industries in the Budapest Area	DATE DISTR.	12 November 1953
DATE OF INFO.		NO. OF PAGES	2
PLACE ACQUIRED		REQUIREMENT	25X1
		REFERENCES	25X1

This is UNEVALUATED Information

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
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(FOR KEY SEE REVERSE)

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1. Mavag Production.

- a. For the month of June 1953, the steel production of Mavag Budapest amounted to 300 tons.
- b. Among other products the factory manufactures 76 mm. gun barrels which are delivered to Diosgyőr.

2. Csepel Car Factory

- a. The Csepel Car Factory reached the target figure of 1,000 vehicles per month in June 1953.¹
- b. It was the first time that this figure had been attained, and in July production fell again to below 1,000 per month. The failure to attain the planned production is attributed to the delays in the delivery of accessories and components from other factories; particularly those in the Győr area.
- c. These difficulties arise from the general shortage of raw materials, as the foundries cannot fulfil their orders. Particular difficulties are encountered by rolling mills not only through delayed deliveries of raw materials but also because of failure of steel rolls which can be replaced only by purchases abroad.²
- d. The holding up in some component deliveries has resulted in an ever-increasing stockpiling at Csepel of other components in open-air storage, with resultant damage from corrosion.
- e. The deliveries of the 1,000 vehicles mentioned in paragraph 2a above were made as follows:

25 YEAR RE-REVIEW

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1.) 600 for internal Hungarian use, of which 400 went to the Hungarian Army and 100 to the Ministry for Light Industry.

2.) 300 delivered to Bulgaria)

3.) 100 to Czechoslovakia)

Thought to be destined ultimately for the USSR.

3. Cooperation Between The Tungsram And Gamma Works.

a. It has not been possible to ascertain whether Gamma and Tungsram cooperate in the manufacture of radar equipment. It is known, however, that these two factories jointly produce metal-testing X-ray equipment (fémvizsgáló röntgen-készülék) which is used for checking for flaws in armor plates, boiler plates, gun barrels, etc. The equipment is designed by Hungarians.

b. Between them the two factories turn out an average of 22 of these X-ray sets every month. Production started in March 1953 and is to continue to the end of 1953.

c. Each X-ray set is checked and tested at Szentendre.

4. Pesterzsébet Car And Tractor Factory.

The Automobile and Tractor Factory (Autó és Traktorgyár) in Pesterzsébet, a suburb of Budapest, is definitely engaged on the production of military equipment. Various components for armed forces vehicles, guns and aircraft are manufactured there. No assembly work is done in this factory.

Comments:

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1. The Csepel production figures quoted appear to be probably correct by comparison with previous information held.
2. It is known that breakages in rolling mills are most infrequent and that the new rolls have to be obtained from Germany, as Hungary has no suitable furnaces (lángkemence) of the type required to make them.

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